



PSC NEWS

Missouri Public Service Commission

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SCHEDULED SUMMER NATURAL GAS COST FILING APPROVED FOR AMERENUE

Jefferson City (March 27, 2002)---To reflect estimated changes in the cost of natural gas for the upcoming summer season, Union Electric Company d/b/a AmerenUE will increase its natural gas rates effective April 1, 2002. This change will affect AmerenUE natural gas customers in the former service areas of Missouri Power & Light Company, Missouri Edison Company and the Central District of the Missouri Utilities Company (this includes cities such as Columbia, Jefferson City, Mexico and Wentzville). The summer season covers the period of April through October.

A residential customer currently pays \$0.5658 per Ccf (per 100 cubic feet of gas). Under the summer filing, the rate will increase to \$0.5908 per Ccf (per 100 cubic feet of gas), an increase of approximately 2.5 cents per Ccf. When compared to current rates, the effect of the proposed increase on a typical residential customer's natural gas bills for the summer season is an increase of \$7.80 or 3 percent.

Approximately 60% to 70% of a customer's natural gas bill reflects the cost of natural gas from wholesale suppliers. The wholesale cost of natural gas (the cost your local natural gas company must pay to its supplier for natural gas) is not regulated by the Missouri Public Service Commission. The wellhead cost of natural gas is unregulated and is primarily driven by supply and demand. The Missouri Public Service Commission does have regulatory review to ensure that regulated gas companies make prudent decisions in securing natural gas supplies for their customers.

AmerenUE serves approximately 86,200 natural gas customers in the Missouri counties of Audrain, Ralls, Boone, Randolph, Cole, Callaway, Cooper, Howard, Moniteau, Saline, Miller, Morgan, Lincoln, Pike, St. Charles, Warren and Montgomery.